



Missouri Department of Natural Resources Nonpoint Source Implementation (319) Grants Request for Proposals

FY2004

The Missouri Department of Natural Resources (the department) is requesting proposals for the prevention, control and/or abatement of nonpoint source water pollution. The goal of Missouri's Nonpoint Source (NPS) Grant Program is to protect or improve the quality of Missouri's impaired or threatened waters from nonpoint source pollution (polluted runoff from unregulated or unpermitted sources).

Under Section 319 of the Clean Water Act, the U.S. Environmental Protection Agency (EPA) awards a grant annually to the department to fund eligible projects that support the implementation of the Missouri Nonpoint Source Management Program. Funds are available to public institutions of higher education, units of government and nonprofit organizations with 501(c)(3) status.

Funds are limited. Therefore, a competitive process will be used to prioritize projects for funding. All projects selected for funding must be approved by the Environmental Protection Agency (EPA). Grant funds must be used in a manner consistent with the state Nonpoint Source Management Plan. The Nonpoint Source Management Plan summarizes major requirements for use of 319 funds, and describes priorities and criteria for use of these funds. This plan may be viewed on the Internet at <http://www.dnr.mo.gov/wpscd/wpcp/wpcnpsmp.htm>

Section 319 Background

Nonpoint source pollution continues to be the largest remaining source of water quality impairments in the nation. Congress enacted Section 319 of the Clean Water Act in 1987, establishing a national program to control nonpoint sources of water pollution. Nonpoint source pollution is caused by rainfall or snowmelt moving over and through the ground, carrying natural and human-made pollutants into lakes, rivers, streams, wetlands, estuaries, other coastal waters, and ground water. Atmospheric deposition and drainage modifications are also nonpoint sources of pollution. Since 1990, Congress has annually provided grant funds to States under Section 319 to help implement management programs to address nonpoint source pollution.

Key Issues in FY2004

Two key steps needed to solve nonpoint source problems within a watershed context are

- 1) the development of watershed-based plans that address water quality needs, including the incorporation of any Total Maximum Daily Loads (TMDLs) that have been developed, and
- 2) the implementation of the plan. Grant proposals should emphasize use of watershed-based planning and implementation processes to solve water quality problems. EPA provides two different types of funds under Section 319, Base Funds and Incremental Funds. To be

eligible for Incremental Funds, the project must develop and implement a Watershed Management Plan that has the elements described in Attachment F, Key Elements Critical to a Watershed Management Plan. Note that the watershed-based plan must be designed to achieve the load reductions called for in the NPS TMDL.

Emphasis will be on projects that restore the quality of waters identified as impaired by NPS and is on the state's 303(d) list. Included is a link to the 2002 303(d) list. Please note that this list was not finalized at the time this document was prepared. The department expects final confirmation of Missouri's 2002 303(d) list soon but the link will not become active until the 2002 list is finalized. Projects affecting waters on the 2002 list will be emphasized. Projects addressing the identified nonpoint source pollutants contributing to water quality threats and impairments of concern, such as sediment or nutrients, are encouraged. Information regarding TMDLs for Missouri's 303(d)-listed waters can be found at <http://www.dnr.mo.gov/wpscd/wpcp/wpc-tmdl.htm>.

Section 319 funds in agricultural watersheds should focus more on watershed-based planning and coordination of agricultural activities. Increased reliance should be placed on Farm Bill programs and state funding for implementation of agricultural best management practices within these watersheds.

Under some circumstances, funding is allowed for qualified projects on waters not presently impaired. Therefore, good quality projects that will protect waters not on the 303(d) list of impaired waters are also encouraged.

319 NPS Implementation

In general, nonpoint source projects provide information, education, training, technical assistance, demonstration, project-specific monitoring and water quality restoration. They may also address aquatic or riparian habitat enhancement and drinking water protection provided on a watershed basis. NPS grants *may not* be used for research or for activities required under any National Pollutant Discharge Elimination System (NPDES) permit.

Section 319 grant funds may be used for cost-share on demonstration projects. Anyone receiving 319 cost-share assistance must implement comprehensive nutrient and/or pesticide management plans, if applicable. The total federal funds for a cost-shared practice (from all federal sources) may not exceed 75% of the cost of the practice.

For examples of 319 projects funded in past years please visit our website <http://www.dnr.mo.gov/wpscd/wpcp/nps/319nps-statewide-map.htm>. Examples of eligible activities are provided below, though other activities may also be eligible.

Ground-Water Activities

Examples include, but are not limited to –

- Protection of karst areas of watersheds
- Delineated wellhead protection zones
- Information/Education of groundwater protection

Urban Storm Water Runoff

Listed below are a variety of urban runoff management activities that could be eligible for Section 319 funding –

- Technical assistance to State and local stormwater programs;
- Monitoring needed to design and evaluate the effectiveness of implementation strategies;
- Best management practices (BMPs) for pollution prevention and runoff control (except for BMPs required by a draft or final NPDES permit or Phase II Stormwater Permit);
- Information and education programs;
- Technology transfer and training; and
- Development and implementation of regulations, policies, and local ordinances to address stormwater runoff. (These may apply to areas covered by NPDES permits, provided that the regulations, policies and ordinances apply to non-permitted areas as well.)

Abandoned Mine Lands (AML)

Examples of fundable activities include, but are not limited to –

- Remediation of water pollution from abandoned mines that have not yet been issued a draft or final permit;
- Remediation of water pollution from portions of abandoned mine sites that are not covered by a draft or final permit;
- Mapping and planning remediation at abandoned mine land sites;
- Monitoring needed to design and evaluate the effectiveness of implementation strategies;
- Technical assistance to State and local abandoned mine land programs;
- Information and education programs;
- Technology transfer and training;
- Development and implementation of policies to address abandoned mine lands; and
- Financial assessment/feasibility studies of AML sites.

Animal Feeding Operations

Section 319 funds may be used to support the implementation of a wide range of animal waste storage, treatment, and disposal options for animal feeding operations (AFO) that are not subject to NPDES permits requirements.

Lake Protection and Restoration Activities

Lake protection and restoration activities are eligible for funding under Section 319(h) to the same extent, and subject to the same criteria, as activities to protect and restore other types of waterbodies from nonpoint source pollution. Where a lake is listed as impaired on the Section 303(d) list, Section 319 funding should be used to develop and implement watershed-based plans.

The following will be considered for lakes priority funding (see addendum for additional information):

- a. Lake Water Quality Assessment (LWQA) projects
- b. Phase 1 Diagnostic/Feasibility Studies
- c. Phase 2 Restoration/Implementation Projects
- d. Phase 3 Post-Restoration Monitoring Studies

Selection of Projects (Criteria for Priority Funding)

Highest priority will be given to projects implementing watershed-based plans that contain nine elements of a watershed management plan for waters with completed TMDLs or scheduled for TMDL development.

Furthermore, funding priority will be provided to projects that are supported by additional funding from other Federal, State, and local agencies (particularly USDA-supported programs), State Revolving Fund (SRF), or private sector funding. Generally, 319 should complement but not duplicate other funding sources.

Funds

Grant awards typically range from \$5,000 to \$400,000. Projects may be up to four years in length. These funds require matching support in a 60 percent federal 319 dollars to 40 percent non-federal ratio. For every \$60 of 319 funds, the project must include \$40 in non-federal funds. Matching support may include project specific in-kind contributions such as volunteer time, equipment or supplies.

For the past three years, EPA has allotted funding to States in two separate categories:

1. “Base” allocation funds may be used throughout the state for a wide range of project purposes consistent with the State’s nonpoint source management plan. The state has an opportunity to focus much of this funding on activities that protect threatened waters. There is flexibility in allocating base funds for activities that may be used for education and outreach, and for demonstration projects.
2. States must use the “incremental” funds to develop and implement watershed-based restoration plans for nonpoint source activities in Section 303(d)-listed waters. However, states may be authorized to use a portion of the incremental funds to address unimpaired waters in special circumstances to address high-priority waters currently not impaired by nonpoint source pollution to assure that they remain unimpaired. Load reduction reporting and watershed management plans are required when using “incremental” funds.

Application Criteria

Applications will be reviewed based primarily on the following criteria:

1. The project must be consistent with the Missouri Nonpoint Source Management Plan and must be eligible for funding under Section 319 of the Clean Water Act. The plan may be viewed on the Internet at www.dnr.state.mo.us/wpscd/wpcp/homewpcp.htm.
2. The project must demonstrate a high likelihood of success based on quality of the proposal, previous successes, appropriateness of goals, support of partners, manageable size, appropriate and adoptable practices, adequate funding, competent management, etc. If possible, a project coordinator should be designated.
3. Preference may be given to projects that address restoration of 303(d)-listed waters by implementing control measures of the specific contaminant(s) for which the water is listed.
4. Projects should treat a complete watershed or sub-watershed of manageable size and address all significant nonpoint pollutant sources. Critical areas should be identified and be the focus of BMPs and monitoring.

5. A funding match of at least 40 percent nonfederal/60 percent 319 support is required. Soil and Water Conservation Districts need not show nonfederal match on agricultural projects.
6. All projects must have a technology transfer (information sharing) component. This may include tours, field days, booklets, brochures, etc.
7. Projects must have clearly stated, measurable objectives that are appropriate for the issue being addressed.
8. The project must include a method of measuring success. The evaluation method must be appropriate for the type of project and must relate to the project objectives. Evaluation measures should go beyond merely stating that an activity happened, but rather show the impact of the project. For example, restoration projects should include a measurement of the amount of pollution reduced by the practices. The EPA has a preferred model called STEPL, which can be downloaded at <http://it.tetrattech-ffx.com/stepl/>. Other models approved for load reduction estimates may be accepted upon review.
9. Cost-effectiveness of the project will be a significant factor. Projects that include a high percentage of funds for administrative, overhead or indirect costs will be considered a lower priority. Indirect rates cannot exceed 13 percent.
10. Proposals that also address the under-representation of minorities and their concerns for water quality issues are encouraged.

To request a grant application contact Michelle Luebbert at (573) 526-1599. You may request an electronic form from Michelle at michelle.luebbert@dnr.mo.gov

For more information about the Nonpoint Source Program or 319 grants, contact Greg Anderson at (573) 751-7144 or by e-mail at greg.anderson@dnr.mo.gov

Grant training will be held May 12, 2004, in Jefferson City, Missouri. To register, call (573) 526-1599.

Post Award Performance Reports.

Applicants should be aware that performance reporting will be required if funding is awarded. These reports should include at a minimum:

- Quarterly progress reports are required.
- Performance/Milestone Summary: A listing of project accomplishments for a specified period.
- Slippage Reports: Provide reasons for delays in meeting scheduled milestones/commitments and discuss what actions (State, Federal or other) will be taken to resolve any current or anticipated problems.
- Additional pertinent information including, when appropriate, analysis and explanation of cost overruns, unanticipated events/consequences, etc.
- Load Reductions can be reported quarterly using the EPA STEPL model or other approved methods. STEPL can be downloaded or ordered from the EPA website.

2002 303(d) List of Impaired Waters

EPA recently released the Missouri 2002 303(d) list but the Missouri Department of Natural Resources has some minor issues that need to be rectified prior to the official release of the list. The final release of the list will be made available on the department's website when these issues have been finalized. <http://www.dnr.state.mo.us/wpscd/wpcp/wpc-tmdl.htm>.

Addendum to the FY2004 Section 319 RFP

Clean Lakes Projects

Section 319 Nonpoint Source funding can be used to fund Clean Lakes Projects, previously funded under Section 314 of the Clean Water Act. Lake protection and restoration activities are eligible to the same extent, *and subject to the same criteria*, as activities to protect and restore other types of waterbodies from nonpoint source pollution.

The following types of Clean Lakes activities will be considered for funding:

1. Lake Water Quality Assessment (LWQA) projects

LWQA projects are intended to compile a comprehensive statewide assessment of lake water quality, to enhance overall State lake management programs and to increase public awareness and commitment to protecting lakes. Specific activities might include:

- Developing a statewide lake monitoring program;
- Listing threatened and impaired waters on State section 303(d) list;
- Meeting the reporting requirements for lakes as outlined in Section 314(a)(1)(A-F) for reporting in the State's 305(b) report;
- Building and enhancing the State's lake related public outreach and volunteer monitoring activities; and
- Developing and enhancing State lakes programs including travel/training for program managers to attend the annual meeting on "Enhancing State Lake Management Programs."

2. Phase I Diagnostic/Feasibility Studies

These projects are intended to:

- Perform comprehensive studies of particular lakes included on State's priority lists including section 303(d) lists;
- Determine the causes, sources, and extent of pollution to the lake;
- Evaluate possible solutions; and
- Recommend the most feasible and cost-effective methods and measures for restoring and protecting lake resources.

The specific requirements for Phase 1 studies are listed in the Section 314 Clean Lakes Program regulations (40 CFR Part 35, subpart H). In many cases, Phase 1 studies should provide the basis for the development of a total maximum daily load (TMDL) for a particular lake or reservoir.

3. Phase II Restoration/Implementation Projects

These projects are intended to implement lake protection and restoration measures recommended in Phase 1 studies. For lakes that are listed as impaired on the Section 303(d) list, such as restoration measures should be integrated into a watershed-based plan that contains the information in the Key Elements to a Watershed Plan (see attachment).

4. Phase III Post-Restoration Monitoring Studies

These projects determine the longevity and effectiveness of various restoration techniques and to advance the science of lake restoration. Funding priorities will support the primary purpose of these studies which is to assess the effectiveness of restoration techniques that have been applied through Phase 2 projects. Lower priority consideration will be given to projects that support activities to improve and advance the science of lake restoration and management (but not necessarily post-Clean Lakes Phase II projects).

Please note that while a State may decide to fund a LWQA and several Phase I studies with Section 319 funds, such funds are included within the overall limitation allowing States to use no more than 20 percent of their entire Section 319 allocation to upgrade and refine their nonpoint source programs and assessments.

5. Other Lakes Activity

Activities that are not covered in the first 4 items listed above, and in which the activity is focused on a specific lake or reservoir.

Conditions

1. Only classified lakes in Missouri are eligible for funding. A complete list of classified lakes in the state of Missouri can be found in the state Water Quality Standards, 10 CSR 20-7.031, Table G. This list is also on the Internet at <http://www.sos.state.mo.us/adrules/csr/current/10csr/10c20-7a.pdf> (starting at page 30).
2. The project shall not include costs for harvesting aquatic vegetation, for chemical treatment to alleviate temporarily the symptoms of eutrophication, for operating and maintaining lake aeration devices, or for providing similar palliative methods and procedures, unless these procedures are the most energy efficient or cost effective lake restoration method.

Schedule for FY2004 Grant Proposals

April 5, 2004 – Optional Pre-proposals due

One-page, conceptual pre-proposals may be submitted to DNR. Pre-proposals are not required. Submittals will be reviewed and comments provided to the applicant for use in preparation of the final application.

May 12, 2004 – 319 Grant Training

Training session. A one-day training session will be held in Jefferson City, Missouri, to help applicants with their grant applications. For more information or to register, call Michelle Luebbert at (573) 526-1599.

*****July 1, 2004*** -- Applications Due**

Completed applications postmarked to DNR. Proposals will be reviewed and prioritized by an inter-agency panel.

August 17th, 2004 – Review panel meets

Applicants will have the opportunity to meet with the review panel and respond to panel questions.

September or October 2004 – Clean Water Commission meets

Prioritization list and recommendations submitted to the Clean Water Commission for approval.

November 1, 2004 – Proposals to EPA

Proposals that have been approved by DNR and the Clean Water Commission are submitted to EPA Region 7 as part of DNR's grant application. Prior to and after submittal, department staff may work with project sponsors to revise the workplan and/or budget. Following EPA approval, department staff will work with project sponsors to finalize the project workplan and budget. Note this date is tentative; unforeseen delays are not uncommon at this stage.

Fall 2005 – Funding expected to be available

DNR target date to award subgrant funds for approved projects is 7 months after applications are due; however, many variables affect the date awards can be made. Historically, funds have become available approximately 12-18 months after the application is submitted. Funding is not assured until the actual subgrant award document has been developed and signed by both the subgrantor and the subgrantee.